

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 2, 1995

SUBJECT: **SB 1075 - HB 852**

This bill, if enacted, will transfer authority to determine reasonable allowable costs reimbursable to counties for housing convicted felons from the Department of Correction to the Comptroller of the Treasury in consultation with the Tennessee Sheriff's Association. The bill eliminates the Department of Correction's rulemaking authority by which the department determines what counties would be allowed to include under capital costs and sets a maximum limitation on the amount reimbursable to the counties.

Currently, the Department of Correction has set a maximum limitation of \$35 per day reimbursement to counties that do not have a specific contract to house state prisoners. The projected state expenditures for fiscal year 1995-96 for housing state prisoners in local jails is \$80,992,931.

The fiscal impact from enactment of this bill is estimated to be an increase in state expenditures of \$6,700,000 for housing state prisoners in local jails. This estimate is based upon the inclusion of potential allowable cost under capital cost that are not currently paid due to the cap that the Department of Correction would pay to counties for housing state prisoners if the current rules are abolished.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director